## NOTICE TO THE PUBLIC OF AN APPLICATION BY AQUA VIRGINIA, INC., FOR APPROVAL OF A WATER AND WASTEWATER INFRASTRUCTURE SERVICE CHARGE PLAN AND FOR AUTHORITY TO IMPLEMENT WATER AND WASTEWATER WWISC RIDERS CASE NO. PUR-2019-00209

- Aqua Virginia, Inc., has applied for approval to implement its first water and wastewater infrastructure service charge ("WWISC") plan and for authority to implement a Water WWISC Rider with a revenue requirement of approximately \$137,000, and a Wastewater WWISC Rider with a revenue requirement of approximately \$150,000.
- A Hearing Examiner appointed by the Commission will hear the case on April 14, 2020, at 10 a.m.
- Further information about this case is available on the SCC website at: <u>http://www.scc.virginia.gov/case</u>.

On December 6, 2019, Aqua Virginia, Inc. ("Aqua Virginia" or "Company"), pursuant to Rule 5 VAC 5-20-80 of the State Corporation Commission's ("Commission") Rules of Practice and Procedure ("Rules of Practice") and the Final Order entered in Case No. PUR-2017-00082 ("October 2018 Final Order"), filed an application for approval of a Water and Wastewater Infrastructure Service Charge ("WWISC") Plan and for authority to implement water and wastewater WWISC Riders ("Application").

Aqua Virginia asserts that the Commission authorized the Company to implement separate water and wastewater WWISCs over a three-year pilot period to enable the Company to make accelerated investments to replace mains and other aging infrastructure that have reached the end of their useful lives. Aqua Virginia further states that the Commission approved \$3,750,000 in WWISC projects over the three-year pilot period, specifically limiting same to \$1.765 million for accelerated water main replacement projects and \$1.99 million for inflow and infiltration ("I&I") reduction projects. As noted by the Applicant, such approval was wholly subject to the specific safeguards recommended by the Hearing Examiner and adopted in their entirety by the Commission.

Aqua Virginia states that the October 2018 Final Order authorized the Company to begin deferring the costs of WWISC-eligible investment placed in service on and after March 1, 2019. In testimony accompanying the Application, Aqua Virginia describes the water main replacement projects and wastewater infrastructure replacement projects that the Company proposes to complete as part of its first WWISC Plan period beginning March 1, 2019 and ending December 31, 2020, The Company requests that the Commission approve the first roster of WWISC-eligible investments.

The Company further requests approval of its proposed WWISC Tariff, including the proposed (1) Water WWISC Rider with a revenue requirement of approximately \$1,576,000 in water main replacement projects; and (2) Wastewater WWISC Rider with a revenue requirement of approximately \$150,000, associated with approximately \$1,382,000 in water main replacement projects; and (2) Wastewater WWISC Rider with a revenue requirement of approximately \$150,000, associated with approximately \$1,382,000 in wastewater I&I projects. Aqua Virginia has proposed a rate of \$0.1317 for each 1000 gallons of water used and \$0.5778 for each 1000 gallons of wastewater billed. If the WWISC Plan and Riders are approved, the impact on customer bills would depend on usage. The Company estimates that implementation of its proposed Riders would increase the monthly bill of a residential water customer using 4,000 gallons per month by \$0.53, and would increase the monthly bill of an average residential sewer customer by \$2.31.

Aqua Virginia proposes to add the Water WWISC and Wastewater WWISC Riders to customer bills "effective for the period from 120 days after filing of this Application until the filing of the Company's next WWISC proceeding or the effective date of interim base rates in its next base rate case." Accordingly, the Company proposes a beginning date of April 6, 2020, for the first WWISC Rider Rate Year.

Interested persons are encouraged to review the Application and supporting documents for the details of these and other proposals.

TAKE NOTICE that the Commission may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Application and supporting documents and thus may adopt rates that differ from those appearing in the Company's Petition and supporting documents.

Per the Company's request and subject to true-up and the Hearing Examiner's protections adopted by the Commission in PUR-2017-00082, the Commission has granted the Company's request to begin charging customers for its WWISC related expenses for billings made on or after April 6, 2020 (\$0.1317 for each 1000 gallons of water used and \$0.5778 for each 1000 gallons of water used on the seprecedings.

The Commission entered an Order for Notice and Hearing that, among other things, scheduled a public hearing to commence at 10 a.m. on April 14, 2020, in the Commission's Second Floor Courtroom, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, to receive testimony from members of the public and evidence related to the Application from the Company, any respondents, and the Commission's Staff. Any person desiring to testify as a public witness at this hearing should appear in the Commission's courtroom fifteen (15) minutes prior to the starting time of the hearing and contact the Commission's Bailiff.

Copies of the Application and the Commission's Order for Notice and Hearing are available for public inspection during regular business hours at each of the Company's business offices in the Commonwealth of Virginia. Copies also may be obtained by submitting a written request to counsel for the Company, John K. Byrum, Jr., Esquire, Woods Rogers PLC, Riverfront Plaza, West Tower, 901 East Byrd Street, Suite 1550, Richmond, Virginia 23219. If acceptable to the requesting party, the Company may provide the documents by electronic means.

Copies of the public version of the Application and other documents filed in this case also are available for interested persons to review in the Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, between the hours of 8:15 a.m. and 5 p.m., Monday through Friday, excluding holidays. Interested persons also may download unofficial copies from the Commission's website: <u>http://www.sce.virginia.gov/case</u>.

On or before March 6, 2020, any interested person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Anyone filing a notice of participation simultaneously shall serve a copy of the notice of participation on counsel to the Company at the address set forth above. Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by Rule 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2019-00209.

On or before March 6, 2020, each respondent may file with the Clerk of the Commission and serve on the Commission's Staff, the Company, and all other respondents, any testimony and exhibits by which the respondent expects to establish its case. If not filed electronically, an original and fifteen (15) copies of such testimony and exhibits shall be submitted to the Clerk of the Commission at the address set forth above. Respondents also shall comply with the Commission's Rules of Practice, including: 5 VAC 5-20-140, *Filing and service*, and 5 VAC 5-20-240, *Prepared testimony and exhibits*. All filings shall refer to Case No. PUR-2019-00209.

On or before April 7, 2020, any interested person wishing to comment on the Company's Application shall file written comments on the Application with the Clerk of the Commission at the address set forth above. Any interested person desiring to file comments electronically may do so on or before April 7, 2020, by following the instructions found on the Commission's website: <u>http://www.scc.virginia.govicase</u>. All such comments shall refer to Case No. PUR-2019- 00209.

All documents filed with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice.

The Commission's Rules of Practice may be viewed at: <u>http://www.scc.virginia.govicase</u>. A printed copy of the Rules of Practice and an official copy of the Commission's Order for Notice and Hearing in this proceeding may be obtained from the Clerk of the Commission at the address above.